

Saving 9,000 Potential Home Sales in the State of New York

Washington, DC – Rep. John Hall (NY-19) and his colleagues in the U.S. House of Representatives passed legislation today that provides an extension of the extremely popular first-time homebuyer tax credit closing deadline to October 1, 2010 which helps stimulate the Hudson Valley economy.

H.R. 5623, the Homebuyers Assistance and Improvement Act, passed the House today by a vote of 409-5.

For those who entered into a contract to buy a home by April 30, this legislation extends until October 1 the deadline for closing in order to be eligible for the first-time homebuyer tax credit. Under current law, these homebuyers were required to close by June 30 to receive the credit.

“As our economy starts down the path of recovery, we cannot leave prospective homebuyers in the dark,” said Rep. Hall. “I have called for this credit to be extended through the year, but extending the closing deadline is a step in the right direction,” said Hall. “We have seen housing sales rise and some glimpses of price stabilization. Today’s extension of the housing tax credit will maximize its impact for middle class homebuyers and the housing market as I continue to work to strengthen our economy.”

There have been numerous reports of homebuyers experiencing delays that could prevent them from closing by June 30, meaning they would no longer qualify for the credit.

The National Association of Realtors estimates that over 9,000 home sales in the state of New York would be delayed and perspective homebuyers, through no fault of their own, would lose their tax credit if Congress failed to pass an extension.

The measure is fully paid for by applying a current-law penalty for bad checks to electronic payments, permitting the disclosure of prisoner's tax return information to state prisons and

changing rules relating to fees for a travel promotion fund.

Members of the military who are currently serving on active duty overseas or were deployed in the last year have until April 2011 to take advantage of the tax credit.